1981 Budget

Continued from Page 1

new $2-billion youth-education-and-training program. By providing basic education and job skills, the program is designed to combat high unemployment rates for poor youths aged 14 to 21.

"Overall, if the new funds for youth employment and training are not counted, the education budget is virtually the same as last year," said Albert Shanker, president of the American Federation of Teachers. "It does not account for the [1979] 13-per-cent inflation rate.

"Much more will be needed from the Congress to make this budget proposal workable and equitable for education."

Whether Congressional budget and appropriations committees will agree to any significant increases will become known in coming weeks as the panels make their own analyses of national needs and set spending targets and specific appropriations for federal programs.

The President's budget requested a net decrease of $254-million for the Department of Education's student-loan programs. The budget reflects the Administration's legislative proposals—sent to Congress last summer—that the existing direct and guaranteed student loans be replaced with a new program of basic and supplemental loans. (See story, Page 11.)

Commercial Rates on Loans

Secretary Hufstedler argued that the loan plan would cut costs by eliminating inefficiencies in the programs and adjusting interest rates to standard commercial levels, not by reducing the number of students served.

The budget asked $2.309-billion for the government's largest student-aid program, the Basic Educational Opportunity Grants. That is a $47-million, or 2-per-cent, increase over this year's level of $2.262-billion.

Budget officials said their estimates indicated that the $2.309-billion would allow the maximum basic grant to rise from $1,800 to $1,900 and would provide awards to all eligible students who applied. If the amount isn't enough, they said, they will seek a supplemental appropriation.

No increases were proposed for Supplemental Opportunity Grants, College Work-Study, or State Student Incentive Grants.

"The dollars requested for the student-loan program are based on the assumption that proposed Administration changes in the present loan program will become law by September of this year. A.F.T. feels this is a highly unrealistic projection," said Mr. Shanker. More appropriations probably will be needed for basic grants, he said, and "the other student-aid programs will suffer at level funding because our 13-per-cent inflation rate has eroded their purchasing power."

The President's budget proposed, as it has for the last two years, to eliminate funds for enrollment-based grants to medical and other health-professions schools. In addition, the

FACT–FILE

Funds for Higher Education in Education Dept. Budget

	Actual Fiscal 1979	Fiscal 1980 Estimated	Fiscal 1980 Supplemental	Fiscal 1981 Requested
Student assistance:				
Basic opportunity grants	$2,431,000,000	$2,262,034,000	0	$2,309,000,000
Supplemental opportunity grants	340,100,000	370,000,000	0	370,000,000
College work-study	550,000,000	550,000,000	0	550,000,000
State student-incentive grants	76,750,000	76,750,000	0	76,750,000
National direct loans	328,900,000	300,800,000	0	0[1]
Interest on guaranteed loans	762,928,000	793,624,000	614,545,000	866,055,000
Defaults on guaranteed loans	184,635,000	165,997,000	47,253,000	256,591,000
Basic loans	0	0	0	491,000,000[2]
Supplemental loans	0	0	0	48,600,000[2]
Programs for the disadvantaged	131,300,000	137,800,000	0	157,500,000
Educational information centers	3,000,000	3,000,000	0	0
Graduate/professional opportunities	8,000,000	8,850,000	0	13,000,000
Institutional assistance:				
Developing institutions	120,000,000	110,000,000	0	140,000,000
Minority institutions science improvement	5,000,000	5,000,000	0	5,000,000
International education	20,000,000	20,000,000	0	30,000,000
University community services	16,000,000	10,000,000	0	0
Cooperative education	15,000,000	15,000,000	0	23,000,000
Veterans cost-of-instruction	19,000,000	14,380,000	0	12,039,000
Construction loan subsidies	29,000,000	29,000,000	0	26,000,000
College housing loans	13,338,000	12,251,000	0	14,450,000
Architectural barriers removal	0	25,000,000	0	0
College personnel development:				
Public-service fellowships	4,000,000	4,000,000	0	0
Mining fellowships	4,500,000	4,500,000	0	0
Library resources:				
College libraries	9,975,000	4,988,000	0	4,988,000
Research libraries	6,000,000	6,000,000	0	7,000,000
Training & demonstration	3,000,000	1,000,000	0	1,000,000
Interlibrary cooperation	5,000,000	5,000,000	0	12,000,000
Professional development:				
Teacher centers	12,625,000	13,000,000	0	14,300,000
Teacher corps	37,500,000	30,000,000	0	37,500,000
Pre-college science teacher training	1,110,000	2,500,000	0	2,500,000
Migrant college assistance program	1,105,000	1,173,000	0	1,208,000
Vocational education	681,614,000	784,041,000	0	784,041,000
Adult education	100,000,000	105,000,000	0	122,000,000
Youth educational, employment initiative	0	0	0	900,000,000
Women's educational equity	9,000,000	10,000,000	0	20,000,000
Bilingual training grants	29,625,000	30,325,000	0	37,075,000
Rehabilitation training	31,500,000	28,500,000	0	25,500,000
National Institute of Handicapped Research	30,500,000	31,500,000	0	37,000,000
Legal training	3,000,000	5,000,000	0	1,000,000
Law enforcement education	25,250,000	0	0	0
National Institute of Education	83,088,000	77,114,000	0	88,050,000
Fund for Improvement of Postsec. Ed.	13,000,000	13,500,000	0	17,000,000
Natl. Ctr. for Education Statistics	10,561,000	9,947,000	0	11,793,000
Institute for Museum Services	7,852,000	10,900,000	22,000	12,900,000
Office for Civil Rights	45,245,000	46,243,000	1,891,000	49,215,000
Handicapped education:				
Innovation and development	20,000,000	20,000,000	0	20,000,000
Personnel development	57,687,000	55,375,000	0	58,000,000
Vocational, postsecondary programs	2,400,000	2,400,000	0	4,000,000
State postsecondary commissions	3,500,000	3,000,000	0	0
Aid to land-grant colleges	2,700,000	2,700,000	0	2,700,000

1– Proposed to be phased out under Administration's plans for revising loan programs under the Higher Education Act.
2– New loan program proposed under Administration's revisions in Higher Education Act.

President asked Congress to rescind $88-million it already had appropriated for the enrollment-based grants for the current fiscal year, as well as $17-million appropriated for direct loans to health-professions students.

Congress ignored similar requests from the President last year. When it passes new legislation to support health-professions education, however, it is expected to agree to end the enrollment-based grants, which were established to encourage the production of more doctors and other health workers. That strategy, the Carter Administration argues, has succeeded, and now funds should be concentrated on correcting the maldistribution of health workers.

For the same reason, the budget proposed, for the third time, to eliminate most programs providing aid to nursing schools and their students. The budget proposed a $77-million cut in such support, from $106-million in 1980 to just $29-million in fiscal 1981.

Nursing educators persuaded Congress not to make substantial cuts last year, but Patricia R. Harris, Secretary of Health and Human Services, said the Administration was "convinced that the training opportunities and number of nurses are adequate. We have distribution problems and problems with nurses leaving the profession, but to encourage the production of more nurses is not wise."

Increases for Health Programs

The proposed cuts for health education were offset by a number of increased budget requests in other health programs. To try to deal with poor geographic and specialty distribution of health workers, the Administration proposed increasing funds from $86-million to $94-million for National Health Service Corps scholarships, a 9-per-cent increase. Students agree to work in an underserved area one year for each year they receive a scholarship.

The President also would increase from $2-million to $12-million the money allocated "to repay the educational loans of health professionals who practice in underserved areas."

The budget called for raising appropriations for the National Health Service Corps from $82-million to $134-million, a 63-per-cent increase. That would make it possible for the corps to assign an additional 1,700 people to work in areas with shortages of health professionals, bringing the total to more than 4,500.

The budget would increase appropriations from $65-million to $83-million for programs training doctors specializing in primary care.

Programs for Minorities

The President asked for higher spending for several programs designed to aid minority-group students and institutions, both in and out of the health professions.

For example, the fiscal 1981 budget requested:

▶ An increase from $7-million to $9.2-million in financial-distress grants "to meet operating deficits in health-professions schools, especially the traditional black schools."

▶ A $30-million increase in aid to developing institutions, from $110-million to $140-million.

▶ A $12-million increase, from $147.5-million to $159.5-million, for a group of programs assisting disadvantaged students to enter and graduate from college.

▶ A $4-million increase, from $9-million to $13-million, for fellowships to allow people from disadvantaged groups to enter graduate and professional programs.

Several more of Mr. Carter's budget requests should please college and university administrators, including a proposed increase from $77.1-million to $88.1-million for the National Institute of Education; from $13.5-million to $17-million for the Fund for the Improvement of Postsecondary Education; and from $20-million to $30-million for international education programs.

The President also asked that the budget for the Women's Educational Equity program be increased from $10-million to $20-million, to finance grants "to educational institutions at all levels to help them comply with Title IX of the Education Amendments of 1972." Title IX bars sex bias in federally financed educational activities.

No Funds for Renovation

John W. Peltason, president of the American Council on Education, said, "The college community applauds President Carter's budget requests for the strengthening of the nation's basic research effort, and his increased support for international education and several other important higher-education programs.

"We are concerned, however, that his recommendations will not provide sufficient grants and loans for needy students to keep pace with rising college costs, that proposed cuts in health manpower programs would seriously curtail the training of health professionals, and that no funds are requested for the needed renovation of academic facilities."

Last year Congress appropriated $25-million to help institutions remove architectural barriers for physically handicapped students on their campuses.

This year officials said that such renovation ranked lower than other priorities for spending in a tight budget year.

Under other higher-education-related budget requests for fiscal 1981:

▶ Appropriations for the National Science Foundation would increase 15.5 per cent, from $993.8-million this year to $1.15-billion.

▶ Appropriations for biomedical research financed by the National Institutes of Health would not keep pace with the increases asked in other research areas. Spending would grow by $139-million, or about 4 per cent—from $3.44-billion this year to $3.58-billion.

▶ Grants to college students who are the dependents of deceased or disabled Social Security recipients would total an estimated $1.75-billion, up from $1.57-billion this year. The President did not recommend phasing out the benefits, as he unsuccessfully urged Congress to do in his last budget.

▶ GI Bill benefits paid to veterans attending college would total about $1.54-billion, down from $1.76-billion this year because of the declining number of eligible veterans. The Senate, however, recently voted to increase payments by 15 per cent, a move that the Congressional Budget Office said would cost about $366-million in fiscal 1981.

▶ Appropriations for the National Endowment for the Arts would total nearly $168-million and those for the National Endowment for the Humanities, $164.3-million—increases of 9 per cent over their respective 1980 levels of $154.4-million and $150.1-million.

▶ The civil-rights office in the new Department of Education would receive $49.2-million, up from $48.1-million in the current year. It would receive about two-thirds of the staff of the old Office for Civil Rights in the Department of Health, Education, and Welfare.

Funds in HHS Budget

The renamed Department of Health and Human Services would retain one-third of the staff and increase reviews of civil-rights compliance at hospitals, health, and welfare agencies. Its budget would be $22-million, up from a comparable level of $20-million this year.

▶ The budget of the Equal Employment Opportunity Commission would increase from $124.6-million to $144.8-million to handle new responsibilities for investigating age-bias complaints and discrimination charges filed by federal employees.

FACT–FILE

Funds for Higher Education in Other Federal Agencies

DEPARTMENT OF HEALTH AND HUMAN SERVICES	Actual Fiscal 1979	Fiscal 1980 Estimated	Fiscal 1980 Supplemental	Fiscal 1981 Requested
Alcohol, Drug Abuse, & Mental Health Administration:				
Mental-health research grants	120,633,000	146,033,000	788,000	162,964,000
Mental-health training grants	79,619,000	90,354,000	0	90,354,000
Drug-abuse research grants	37,808,000	46,080,000	0	50,420,000
Drug-abuse training grants	8,817,000	8,680,000	0	7,644,000
Alcoholism research grants	19,562,000	22,317,000	0	25,168,000
Alcoholism training grants	6,334,000	7,200,000	0	5,821,000
Health Resources Administration:				
Health professions education	499,350,000	500,035,000[1]	0	325,691,000
National Health Service Corps scholarships	75,000,000	86,000,000	0	94,000,000
Nursing programs	106,000,000	106,000,000	0	29,000,000
Primary care residencies	58,000,000	65,000,000	0	83,000,000
Financial distress grants	5,000,000	7,000,000	2,400,000	9,200,000
Health services research	22,169,000	30,084,000	0	34,617,000
Health Services Administration:				
National Health Service Corps	63,000,000	82,000,000	0	134,000,000
Maternal, child health research & training	27,583,000	31,843,000	0	31,043,000
Indian health manpower	6,312,000	6,688,000	0	6,688,000
National Institutes of Health:				
Cancer Institute	936,737,000	1,003,681,000	0	1,007,800,000
Heart, Lung, & Blood Institute	510,134,000	528,861,000	0	548,399,000
Institute of Dental Research	65,213,000	68,901,000	0	70,451,000
Institute of Arthritis, Metabolism, & Digestive Diseases	302,767,000	342,830,000	0	365,711,000
Institute of Neurological Disorders & Stroke	212,365,000	242,757,000	0	249,807,000
Institute of Allergy & Infectious Diseases	191,328,000	216,247,000	0	228,412,000
Institute of General Medical Sciences	277,628,000	312,628,000	0	331,639,000
Institute of Child Health & Human Development	197,630,000	209,785,000	0	217,531,000
Institute on Aging	56,911,000	70,228,000	0	75,317,000
Eye Institute	105,192,000	113,449,000	0	116,562,000
Institute of Environmental Health Sci.	78,080,000	84,306,000	0	97,269,000
Research Resources	154,164,000	169,302,000	0	184,439,000
Library of Medicine	8,989,000	9,095,000	0	9,181,000
Social Security Education Benefits	1,385,000,000	1,565,000,000	0	1,752,000,000
Social services training benefits	90,000,000	89,000,000	0	116,000,000

OTHER AGENCIES	Actual Fiscal 1979	Fiscal 1980 Estimated	Fiscal 1980 Supplemental	Fiscal 1981 Requested
Action:				
Peace Corps	$ 99,179,000	$ 105,795,000	$ 795,000	$ 118,800,000
VISTA	30,416,000	30,800,000	0	43,782,000
Department of Agriculture:				
Science and Education Administration:				
Agriculture research	342,474,000	378,828,000	0	402,739,000
Education programs	275,399,000	285,537,000	0	298,134,000
Cooperative research:				
Agriculture research stations	106,522,000	115,253,000	0	122,249,000
Support for black land-grant colleges[2]	16,360,000	17,785,000	0	23,867,000
Competitive research grants	15,000,000	16,000,000	0	25,000,000
Special agriculture research grants	16,273,000	17,698,000	0	15,810,000
Institute for Scientific and Technological Cooperation	0	23,750,000	0	95,000,000
Corporation for Public Broadcasting	120,200,000	152,000,000	0	162,000,000
Department of Defense:				
University research[3]	341,000,000	376,000,000	0	416,000,000
Department of Energy:				
General science	309,306,000	641,945,000	0	376,695,000
University research[3]	281,000,000	320,000,000	0	361,000,000
National Arts Endowment	149,585,000	154,702,000	302,000	167,960,000
National Humanities Endowment	145,231,000	150,379,000	279,000	164,325,000
Reserve officer training student support:				
Army	42,400,000	46,932,000	0	50,888,000
Navy & Marine Corps	26,061,000	29,122,000	0	31,630,000
Air Force	30,533,000	30,336,000	0	33,732,000[4]
Sea-Grant Program	33,591,000	36,285,000	0	36,309,000
Veterans' higher education benefits	2,120,000,000	1,757,000,000	0	1,535,000,000
Comprehensive Employment & Training Administration's youth programs	2,024,000,000	2,101,000,000	0	2,789,000,000
National Science Foundation, total	911,000,000,	990,506,000	840,000	1,148,000,000
Research:				
Mathematical & physical sciences	208,865,000	226,412,000	0	264,700,000
Astronomical & earth sciences	211,615,000	217,862,000	0	240,000,000
U. S. Antarctic program	51,091,000	55,840,000	0	63,400,000
Ocean drilling programs	11,625,000	19,475,000	0	29,600,000
Biological & social sciences	154,704,000	166,531,000	0	181,100,000
Engineering & applied sciences	109,860,000	110,334,000	0	134,500,000
Technological & international affairs	23,562,000	27,103,000	0	28,100,000
Inter-disciplinary programs	16,863,000	26,025,000	0	54,700,000
Program management	54,766,000	60,564,000	0	60,700,000
Total research	827,000,000	906,806,000	0	1,056,800,000
Education:				
Scientific manpower improvement	33,072,000	31,601,000	0	35,200,000
Science education improvement	28,606,000	23,987,000	0	24,200,000
Science education research	12,015,000	14,942,000	0	17,500,000
Science and society	6,287,000	7,670,000	0	8,800,000
Total education	80,000,000	78,200,000	0	85,700,000

1- Administration is asking Congress to rescind $104,218,000 for enrollment-based grants to health-professions schools and student loan programs.
2- Includes $5-million in matching grants to assist colleges to improve their existing research facilities and to build new ones.
3- Obligations.
4- Tentative estimate.

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News Summary

Articles on inside pages

Re-entry programs designed to help women find jobs in science win high marks from participants, but university officials are not as enthusiastic. Story on Page 3.

The impact of 13 years of "Carnegie reports" may have been greatest at the federal level. Story on Page 5. A list of reports published by the Carnegie Commission and Carnegie Council appears on Page 6.

Ohio State University estimates that its energy-conservation program has saved it $15.5-million. Story on Page 8.

Nursing educators disagree on how much and what kind of education is needed to prepare professional nurses. Story on Page 11.

Research libraries are caught in a tug of war between networks offering computerized information services. Story on Page 9.

The Office of Education is backing down on a controversial proposal to change its formula for distributing certain student-aid funds. Story on Page 13.

Almost half the students at Meharry Medical College, a historically black institution, are receiving federal scholarships in return for work in areas with shortages of doctors. Story on Page 14.

Protests continue in the United States and Britain over the Soviet Union's banishment of the human-rights activist Andrei D. Sakharov. Story on Page 19.

Canada's rescue of six American diplomats from Teheran could doom attempts by an estimated 200 Iranian students to enroll in Canadian universities. This and other "Notes from Canada" on Page 19.

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Church Colleges Pledge Renewal

Dean Lucilla Osinski and President Rosaria Petra of Lourdes College at last week's church-college meeting. See story on Page 7.

CHRONICLE PHOTOGRAPH BY JOHN C. PHILLIPS

Private Institutions May Withdraw Support of Compromise Plan on U.S. Aid to Students

By Anne C. Roark

WASHINGTON

A long struggle between public and private colleges over federal assistance to students intensified this month when the National Association of Independent Colleges and Universities threatened to withdraw its support for a compromise on restructuring aid programs for the 1980's.

The compromise, worked out last summer by Washington lobbyists, would provide increases in the maximum amount of federal grants a student may receive—a move that private-college educators say is necessary if their higher-priced institutions are to remain competitive.

The plan also would lift the ceiling on the Basic Educational Opportunity Grants program from 50 per cent of the student's educational costs to 70 per cent—a change in the so-called "half-cost" provision that public-college educators feel will help poor students attend low-cost institutions.

Both provisions were included in the House of Representatives' version of an omnibus education bill, HR 5192.

Support Withdrawn

Troubled by warnings that the Senate might not go along with the compromise, the independent-college association voted at its annual meeting here to withdraw support for half-cost limitation if it is not linked to increases for the Basic and Supplemental Educational Grant programs.

At the heart of the private-colleges' demands is a conviction that 75 per cent of each student's expenses must eventually be met either by support from parents or by government grants. Meeting that standard would require substantial increases in all the government's student-grant programs. For financially needy students, the remaining 25 per cent would be made up by the federal government's "self-help" loan and work-study programs.

The Senate Subcommittee on Education, Arts, and Humanities has only begun to draft its version of the House bill, but sources close to the panel have been predicting for several months that many Senators would not be satisfied with key provisions worked out by the House. A particu-

Continued on Page 15, Column 1

Indian Tribal Colleges Accuse U.S. Bureaucrats of Delaying $85-Million Congress Authorized

By Lorenzo Middleton

A recent movement among American Indians to establish and operate their own colleges has sparked a new conflict in their bittersweet relationship with the federal government.

Over the past decade, growing numbers of tribes have developed their own colleges in an attempt to stem the flow of young people from Indian reservations. For some, such developments are part of a broader campaign to become less dependent on the federal bureaucracy—particularly the Department of the Interior and its Bureau of Indian Affairs.

However, because they lack endowments or access to tax revenues, the colleges have had to rely heavily on federal support for their survival. And in their efforts to increase that support, tribal leaders have found they are as dependent as ever on the good will of the B.I.A.

No Victory in 1978

After years of lobbying, leaders of the Indian college movement thought they had won a final victory in October, 1978, when Congress passed the Tribally Controlled Community College Assistance Act.

The new law promised to provide more than $85-million to Indian-controlled institutions over a three-year period.

Thus far, however, none of the 21 established colleges have received any assistance under the act, and for many it will be a long, uphill struggle before they do.

One frustrated administrator noted that instead of assistance, the colleges had received only regulations, evaluations, promises, delays, and more promises.

"It's an empty bag of money," he said.

The law authorizes the bureau to make direct grants "for the operation and improvement [of the colleges] to insure continued and expanded education opportunities for Indian students."

Each college was to receive $4,000 for every full-time student, to be spent in any way the institution saw fit.

Originally, the bill authorized the appro-

Continued on Page 12, Column 1

NOTE

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